

ITEM 1. COVER PAGE

FORM ADV BROCHURE

PART 2A

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IMPORTANT DISCLOSURE:

This brochure provides information about the qualifications and business practices of Standard & Poor's Investment Advisory Services LLC ("**SPIAS**"), an investment adviser registered with the United States Securities and Exchange Commission ("**SEC**"). If you have any questions about the contents of this brochure, please contact us at (212) 438-2000 or send an email to: spias@standardandpoors.com. Registration with the SEC does not imply that SPIAS or its directors, officers, employees or representatives possess a certain level of skill or training. The information in this brochure has not been approved or verified by the SEC or by any state securities authority.

Additional information about SPIAS also is available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 2. MATERIAL CHANGES

This brochure is dated March 25, 2014. This brochure contains material changes to the disclosure SPIAS provided in its last annual updated of this brochure dated March 26, 2013. These changes include:

- Item 4 “Advisory Business” has been updated to reflect the name change of SPIAS’s parent company from The McGraw-Hill Companies, Inc. to McGraw Hill Financial, Inc. and to include information about Trade Detector Reports. The S&P Capital IQ Global Markets Intelligence group creates the Trade Detector reports, which are designed to provide investors with investment recommendations based the relationships across multiple securities, investment instruments and market conditions. Item 10 “Other Financial Industry Activities and Affiliations” has been updated to describe SPIAS’ use of personnel associated with McGraw Hill Financial Research Europe Limited, Standard & Poor’s Investment Advisory Services (HK) Ltd, McGraw Hill Financial Singapore Pte. Ltd, and Standard & Poor’s Malaysia Sdn. Bhd to provide certain advisory services and research reports to SPIAS’U.S. clients. (May 14, 2013)
- Item 10 “Other Financial Industry Activities and Affiliations” has been updated to reflect the cessation of a material relationship with Winslow Evans & Crocker (WEC) as a result of the sale of S&P Capital IQ’s Financial Communications group, a former division of S&P Capital IQ that distributed research reports prepared by SPIAS. (October 8, 2013)
- Item 6 “Performance-Based Fees and Side-by-Side Management” has been updated to add information in connection with SPIAS’ performance-based fee arrangements with qualified clients. Item 8 “Methods of Analysis, Investment Strategies and Risk of Loss” has been updated to add information in connection with SPIAS’ Competitive Advantage Large Cap Core Equity Strategy. Appendix A has been updated to reflect changes to fees for sub-advisory services for registered open-end investment companies. (December 24, 2013)
- Item 4 “Advisory Business” and Item 8 “Methods of Analysis, Investment Strategies and Risk of Loss” have been updated to update and add information in connection with S&P Capital IQ’s research reports, including STARS, Qualitative and Factual stock research reports, Bond research reports and Trade Detector and Deal Detector research reports. (February 19, 2014)
- Item 4 “Advisory Business” has been updated to add information with respect to ranking system of Quantitative and Factual Research Reports; and to update information with respect to equity strategies, reflecting changes to the research tools and data used to create model stock portfolios and stock portfolio strategies. Item 8 “Methods of Analysis, Investment Strategies and Risk of Loss” has been updated to add information in connection with SPIAS’ investment strategies.

Please note that the above summary addresses only changes that SPIAS has determined to be material and therefore, does not reflect all of the changes that have been made to this brochure since the last annual amendment dated March 26, 2013 was distributed to clients.

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ITEM 4. ADVISORY BUSINESS

A. Advisory Firm

SPIAS is a Delaware limited liability corporation that has been providing advisory services for over 15 years. SPIAS is a wholly-owned subsidiary of McGraw Hill Financial, Inc. (McGraw Hill), a New York Stock Exchange listed company.

McGraw Hill is comprised of four segments, described below.

Standard & Poor's Ratings Services

Standard & Poor's Ratings Services is a provider of credit ratings, offering investors and market participant's information and independent ratings benchmarks. It includes the NRSRO and certain other ratings-related businesses.

S&P Capital IQ

S&P Capital IQ is a global provider of digital and traditional financial research and analytical tools for capital market participants.

S&P Dow Jones Indices

S&P Dow Jones Indices is a global index provider that maintains a wide variety of investable and benchmark indices to meet an array of investor's needs.

Commodities & Commercial

Commodities & Commercial consists of business-to-business companies specializing in the commercial and commodities markets that deliver their customers access to high-value information, data, analytic services and pricing benchmarks. Commodities & Commercial includes such brands as Platts, J.D. Power and Associates, and McGraw Hill Construction.

B. Specialization

SPIAS does not specialize in a particular type of advisory service.

C. Advisory Services

Summary of Advisory Services

SPIAS provides investment services on a non-discretionary basis. While SPIAS' advisory services primarily focus on equity securities and mutual funds, SPIAS also offers fixed income advisory services. SPIAS' advisory services are provided directly to other institutions that may choose to use such advice for their own underlying clients and investors. SPIAS' advisory services may include the following types of services individually or in combination:

1. asset allocation strategies;
2. fund selection services;
3. multi-manager strategies;
4. equity strategies;
5. fixed income strategies;
6. advisory consulting services to investment managers of investment funds other than registered open-end investment companies and unregistered hedge funds;
7. sub-advisory services for registered open-end investment companies and unregistered hedge funds;
9. model questionnaires,
10. licensing of STARS Rankings; and
11. research reports and other research services.

SPIAS' advisory services are generally offered to broker-dealers, investment advisers, registered open-end mutual funds, unit investment trusts and other financial institutions. SPIAS' investment advisory services may be used by clients in assisting them in advising their clients, which may include retail clients, private wealth management or institutional clients. SPIAS also provides advisory consulting services to institutional clients and investment managers of investment funds otherwise known as "manager of manager" funds and investment sub-advisory services for registered investment companies and unregistered hedge funds, including open-end mutual funds and offshore funds. SPIAS also provides customized services tailored to a client's particular needs. SPIAS does not generally provide its advisory services directly to retail clients but its services may be used by its clients in advising their own underlying clients, which may include retail clients. SPIAS does not act as a "fiduciary" or as an "investment manager", as defined under The Employment Retirement Income Security Act (ERISA).

SPIAS also provides certain non-advisory services and products as follows:

1. market outlook; and
2. marketing assistance, which may include some or all of the following: (i) assisting in the preparation of marketing materials; (ii) participating in presentations; and (iii) explaining a proprietary methodology, which may include STock Appreciation Ranking System (STARS) and Earnings and Dividend Ranking System (Quality Rankings).

Advisory Services to Affiliates

SPIAS also provides research and other advisory services to its affiliates, including S&P Capital IQ's other businesses. These affiliates may incorporate this information into products and services that they provide to their clients, including S&P Capital IQ's research reports.

SPIAS provides certain affiliates' products and services to its clients, along with advisory services it provides to them. The fee charged to clients may cover products provided by S&P Capital IQ and other affiliates of SPIAS, such as S&P Capital IQ's research reports on stocks, closed-end funds, mutual funds and exchange traded funds (ETFs). Clients may pay additional fees to SPIAS or an affiliate for these products and may be required to enter into a separate license agreement with Standard & Poor's Financial Services LLC (S&P FS), an affiliate of SPIAS (or another affiliate), which may own intellectual property rights in STARS and other research products.

Detailed Descriptions of Advisory Services

1) Primary Advisory Services

- (i) **Asset Allocation Strategies.** SPIAS develops asset allocation models, which may be at the asset class or economic sector level based on available investments. Such asset allocation models, which are customized to clients' needs, investment objectives and restrictions, are developed based on modern portfolio theory. SPIAS uses both quantitative and qualitative factors in working with clients to develop the client's allocation strategies and models.
- (ii) **Fund Selection Services.** SPIAS offers both quantitative and qualitative analysis of mutual funds and ETFs for separately managed accounts and insurance sub-accounts. SPIAS may provide advice on narrowing universes of funds into smaller sub-groupings of funds or ranking of a list of funds. SPIAS also provides advice and recommendations on a fund's perceived investment prospects over a specified time horizon. As part of the service, SPIAS may prepare periodic reports that describe the performance of a group of portfolios. These reports, which are based on a series of performance statistics covering return, risk, style and style consistency, may be supplemented with periodic telephone conference calls or meetings with clients.
- (iii) **Multi-Manager Strategies.** SPIAS also provides multi-manager strategies which consist of recommended asset allocations and investments to fulfill each asset class in the allocation. Multi-manager model portfolios may be designed to target specific risk/return objectives, investment goals (e.g., income or capital appreciation), or investment time horizon (e.g., target date). Investment recommendations may include a combination of mutual funds, ETFs, insurance sub-accounts, model portfolios of equity securities, and/or separately managed accounts. SPIAS can act as a non-discretionary sub-adviser for multi-manager portfolios. SPIAS also monitors and reviews the performance of the model portfolios on a regular basis (e.g., daily, weekly, monthly or other frequency) and,

as necessary, reallocates and/or recommends changes to the recommended asset allocation, securities, and/or substitute securities used in the model portfolios.

Also, SPIAS may recommend other investment advisers who can implement an investment strategy to meet a client's investment goals and objectives. Prior to recommending an investment adviser to a client, SPIAS reviews an investment adviser's past performance, style and investment philosophy. The goal of this service is to provide a list of recommended investment managers from which a client can select the firm that best meets the client's needs in advising their own clients.

- (iv) Equity Strategies. SPIAS provides stock portfolio services, including services such as providing model stock portfolios, developing preferred stock lists that meet selection criteria, and acting as a non-discretionary sub-advisor for equity portfolios. In creating model stock portfolios and stock portfolio strategies, SPIAS utilizes S&P Capital IQ's proprietary data and research tools, including S&P Capital IQ's SStock Appreciation Ranking System (STARS) and S&P Capital IQ's Earnings and Dividend Ranking System (Quality Rankings). Model portfolio composition and portfolio strategies can be driven by quantitative models or fundamental research, or combinations of both. SPIAS' model portfolios that are driven by quantitative models may be subject to a qualitative overlay. When necessary, SPIAS, after reviewing all related information and criteria, may recommend changes to model portfolios and underlying investments for these portfolios.
 - (v) Fixed Income Strategies. SPIAS offers fixed income model portfolios by primarily selecting U.S. and European investment grade and high yield fixed income securities. In creating a fixed income model portfolio, SPIAS' security selection process will use analytical tools and analysis, including Standard & Poor's Securities Evaluations, Inc.'s ("SPSE") Risk-to-Price (R2P) screening tool and related research to assist it in the security selection process. Model portfolio composition and portfolio strategies can be driven by SPIAS' use of quantitative models, hedging techniques and the use of analytical tools such as R2P and other screening tools to measure a security's creditworthiness, risk and probability of default. SPIAS does not compensate SPSE, an affiliate of SPIAS, for using R2P in its advisory business.
- 2) *Advisory consulting services to investment managers of investment funds other than those described in "Sub-advisory services for registered open-end investment companies and unregistered hedge funds".*

SPIAS also provides its investment advisory consulting services to investment managers of investment funds in addition to those described in "Sub-advisory services for registered open-end investment companies (e.g., unit investment trusts and offshore funds) and unregistered hedge funds." These services of SPIAS are provided on a non-discretionary basis and may include, but are not limited to:

- (i) advice relating to multi-manager and equity model portfolios,
 - (ii) periodic reviews of investment performance that may include the following:
 - (A) analyses of the factors underlying performance,
 - (B) analyses of the client's or investment manager's diversification of investments,
 - (C) general reviews of the global investment and economic outlook,
 - (iii) recommendations on the selection and weightings of individual securities,
 - (iv) ongoing advice in applying SPIAS' methodology such as STARS,
 - (v) recommendations on the selection of sub-advisers, and
 - (vi) additional advisory consulting services as may be requested by a client from time to time, and
 - (vii) fixed-income model portfolios.
- 3) *Sub-advisory services for registered open-end investment companies and unregistered hedge funds*

SPIAS also provides sub-advisory services to investment advisers of registered open-end investment companies (e.g., open-end mutual funds) and unregistered hedge funds. In acting as a sub-adviser, SPIAS provides non-discretionary investment advice to the mutual fund's adviser with respect to an investment program and investment decisions for the assets of the fund. Such advice may include, but is not necessarily limited to, providing multi-manager and equity models and performance monitoring as well as general reviews of the global investment and economic outlook. In addition to quantitative and qualitative methods, analytical methods may include holdings based analysis of underlying securities of funds. SPIAS is not responsible for placing trades in the market or executing the fund's portfolio transactions as that is the responsibility of the mutual fund's investment adviser.

4) *Other Advisory Services*

SPIAS offers other advisory services, which may include qualitative and quantitative techniques. These other services are as follows:

- **Model Questionnaires:** SPIAS also creates questionnaires that can be used by clients to assist them in evaluating their clients' or end users' risk tolerance and/or investment goals/profile. SPIAS will also assist a client in reviewing these questionnaires or questionnaires prepared by the client to assist them in determining their underlying clients' and end users' risk profiles.

SPIAS' equity model portfolios are not created based on the specific investment objectives or restrictions of any person or individual and are created to be used by clients as a guide when

managing their underlying clients' portfolios and accounts. Clients can choose which models they would like to use.

SPIAS also may recommend investment substitutes for recommended investments in a model. Certain clients may limit the universe of investments that SPIAS may consider for inclusion in particular models provided to a client. SPIAS' clients and their underlying clients or firms to whom they have distributed models are solely responsible for all investment services provided to their clients or investors, including collecting information about the investors, recommending asset allocations and investments, determining suitability of allocations and investments, buying and selling securities for their clients' accounts, and all other investment decisions made and/or recommended by the client.

Research Reports.

Licensing of STARS Rankings. SPIAS also provides STARS rankings for use by clients for their own internal use or in their own investment products. In such licensing arrangements, SPIAS' clients make their own securities selections based on the client's own securities selection methodology and processes. SPIAS does not provide any input or advice to the client regarding the selection of securities for the client's investment products or services.

Licensing of Qualitative Research Services and Reports (STARS). SPIAS also provides qualitative research reports on U.S. stocks, which are prepared by S&P Capital IQ equity analysts and other research reports. S&P Capital IQ's U.S. equity analysts are a part of SPIAS. S&P Capital IQ's qualitative research reports are based on STARS. S&P Cap IQ equity analysts evaluate stocks through the use of S&P Capital IQ's proprietary STARS quantitative ranking model, which provides analysts with recommended STARS rankings based on the forecast of a stock's future total return potential versus the expected total return of a relevant benchmark based on a 12-month time horizon. In North America, the relevant benchmark is the S&P 500 Index, which is prepared by S&P Dow Jones Indices, an affiliate of SPIAS. Recommended STARS rankings are reviewed and approved by S&P Cap IQ equity analysts.

The STARS ranking system, which ranges from 1 through 5 STARS, is explained below:

- **5-STARS (Strong Buy):** Total return is expected to outperform the total return of a relevant benchmark by a wide margin over the coming 12 months, with shares rising in price on an absolute basis.
- **4-STARS (Buy):** Total return is expected to outperform the total return of a relevant benchmark over the coming 12 months, with shares rising in price on an absolute basis.
- **3-STARS (Hold):** Total return is expected to closely approximate the total return of a relevant benchmark over the coming 12 months, with shares generally rising in price on an absolute basis.

- **2-STARS (Sell):** Total return is expected to underperform the total return of a relevant benchmark over the coming 12 months, and the share price is not anticipated to show a gain.
- **1-STARS (Strong Sell):** Total return is expected to underperform the total return of a relevant benchmark by a wide margin over the coming 12 months, with shares falling in price on an absolute basis.

In addition to providing qualitative research reports, SPIAS also provides other research services including: (i) access to S&P Capital IQ's equity analysts; (ii) seminars; (iii) industry meetings; and (iv) other events where SPIAS' clients can participate. All of these services are provided in conjunction with SPIAS' provision of research services. Access to S&P Capital IQ's equity analysts is limited to certain recipients of SPIAS' research services, including SPIAS' clients or a client's end users who may receive S&P Capital IQ's Stock Reports. SPIAS also prepares research reports on certain companies that do not include STARS rankings but instead market consensus information, for which SPIAS is paid compensation by the issuer of such companies (as more fully described below).

SPIAS also prepares research reports on companies based on quantitative fair value rankings.

Licensing of Quantitative and Factual Research Reports. SPIAS also provides quantitative research reports on U.S. stocks and global stocks, which are derived from S&P Capital IQ's proprietary quantitative ranking models, including Fair Value and Quality rankings. Fair Value is a proprietary model that is used to provide Buy, Sell, and Hold rankings on certain stocks. The Fair Value system calculates a Fair Value price based on a stock's valuation relative to historical and estimated earnings for the stock, its industry, and an index benchmark. It then ranks each stock versus all other stocks in the Fair Value universe, based on the distance between the stock's Fair Value price and its current price. Rankings consist of numerical scores from 1 to 5, with 5 indicating significant undervaluation and 1 indicating significant overvaluation. The Quality ranking model generates letter grade rankings or scores on companies ranging from A+ to D (in liquidation), based on the growth and consistency of a company's 10-year earnings and dividend streams.

Some Quantitative Stock Reports contain Buy, Hold and Sell recommendations. Reports that do not contain a recommendation may or may not contain ranking information.

Licensing of Fund Research Reports. SPIAS also provides research reports on open-end, mutual funds and ETFs (collectively, "fund research"). S&P Cap IQ's fund research reports contain quantitative ranking that is based on a fund's risks (quality, portfolio holdings and credit risks), costs and expenses and past performance. SPIAS provides fund research reports to clients on a subscription basis.

Licensing of Closed-End Fund Reports: SPIAS also provides research reports on closed-end funds and also receives compensation from the sponsor of certain closed-end funds to prepare reports on such funds.

Issuer Paid Research Reports. SPIAS also provides research reports, otherwise known as Factual Research Reports or Closed-end Fund Reports, on companies for which it receives compensation from issuers to prepare research reports on companies. A part of the fee SPIAS is paid is also used to facilitate the distribution of such reports via SPIAS' affiliated distribution platforms such as MarketScope Advisor.

Licensing of Bond Reports. SPIAS also provides research reports on issuers of bonds ("Bond Reports"). S&P Cap IQ's Bond Reports contain quantitative ranking that is based on an issuer's risks (yield, volatility, market risk and credit risks) and a breakdown of the issue's peers. SPIAS provides Bond Reports to clients on a subscription basis.

Trade Detector Report. SPIAS also provides quantitative research reports on stocks, which are prepared under the Global Markets Intelligence brand. Trade Detector Reports are series of reports and monthly stock selection lists that are based on two different quantitative methodologies, as described below. One methodology is based on the Consensus Price Target model, while the other methodology is based on the Equity One Model that utilizes four separate quantitative strategies.

- **Equity One Model:** The investment objective of the Trade Detector Equity One Model is capital appreciation with a secondary objective of income. The Equity One Model is an equity long strategy that utilizes four separate quantitative strategies with selection criteria based on fundamental factors including proprietary S&P Capital IQ research and Standard & Poor's credit ratings. The four separate strategies are adapted from the: S&P Competitive Advantage, S&P Dividend and Income Growth, S&P Total Yield, and S&P Intrinsic Value. Each strategy selects 30 stocks from the S&P 500 index.
- **Consensus Price Target Model:** The investment objective of the Trade Detector Consensus Price Target is capital appreciation. The Consensus Price Target Model is an equity long strategy that selects stocks from the S&P 500 index.

Deal Detector Report. SPIAS, under the Global Markets Intelligence brand, also provides research reports on companies that are potential candidates for takeover. Deal Detector Reports identify companies that possess comparable valuation metrics and similar financial measures of recently announced Mergers and Acquisitions (M&As) targets.

D. Wrap Fee Programs

SPIAS' model portfolios may be used in wrap fee programs. SPIAS does not sponsor wrap fee programs.

E. Assets Under Management

As of December 31, 2013, SPIAS provided supervisory non-discretionary advisory services to approximately \$25.2 billion of client assets.

ITEM 5. FEES AND COMPENSATION

SPIAS charges its clients fees for the following advisory services: asset allocation strategies, fund selection services, multi-manager strategies, advisory consulting services to investment managers of investment funds (other than registered open-end investment companies and unregistered hedge funds), sub-advisory services for registered open-end investment companies and unregistered hedge funds, fixed income strategies and provision of research reports and other related research services.

A. Types of Fees.

SPIAS charges an asset based fee, an hourly fee, and a flat fee or subscription fee for its investment advisory services. SPIAS may also charge a performance based fee. Fees are negotiable depending on a client's specific circumstances, and may include certain factors including: (i) combination of services performed by SPIAS, (ii) difficulty of the services/analysis by SPIAS, (iii) the number and nature of the investment programs and/or investment vehicles (e.g., funds) that will utilize the services, (iv) location (domestic or foreign) of the client, (v) the client's investment program or investment funds, (vi) the number of distribution channels, and (vii) degree of customization of a program for a client.

Fees charged clients may include fees for other products offered by S&P Capital IQ's other affiliates. Clients may be billed by an affiliate directly for these other products and services and SPIAS' fees may be bundled with other services and billed by an affiliate. Fees for services may also include a license fee for the use of the "S&P" or "S&P Capital IQ" name. SPIAS may charge a one - time or recurring customization fee and/or an initial setup fee in connection with its services.

For sub-advisory services, net assets representing capital contributed by a fund's primary adviser or an affiliate thereof may be excluded from the calculation. In addition, to the extent SPIAS recommends products where S&P Capital IQ or an affiliate is paid fees that are tied to the amount of assets that are invested in the products; SPIAS may make an appropriate adjustment to its fees.

For research reports and other related services, clients generally pay a subscription fee for SPIAS' research reports. Sponsors of certain closed-end funds pay SPIAS a fee to prepare reports on the funds. Certain issuers also pay SPIAS compensation for the preparation of certain research reports on companies and also a fee for the distribution of such reports.

SPIAS, in its discretion, may waive or reduce some or all of the compensation to which it is entitled.

SPIAS' detailed fee schedules are set forth at Appendix A, at the end of this document.

B. Payment Method.

In accordance with the fee schedule for each of SPIAS' advisory strategies, an asset-based fee may be based on: (1) the aggregate balance of individual investors' accounts, (2) the balance in each individual investor's account, or (3) the aggregate balance of the funds. The fees may be calculated on average daily net assets or assets as of the end of the previous quarter or month. Asset based fees are billed on a monthly or quarterly basis in arrears. However, fees for unit investment trusts may be billed after the underwriting period expires for an offering. Fees may be based on several factors, including, type of client (e.g., institutional, retail, private wealth management, etc.), distribution platform, number of users, and for certain types of reports, whether the client is requesting redistribution rights, and whether the client is also subscribing to other services. Clients may also be billed flat fees and on a quarterly basis in advance.

Clients that subscribe to research reports are generally charged a subscription fee for a certain time period (*e.g.*, one-year or multiple years). Standard & Poor's Financial Services LLC (as owner of the intellectual property rights) and affiliates of SPIAS, may bill clients for certain products and services that are sold on a subscription basis and will remit fees or a portion thereof to SPIAS for these products. Certain sponsors of closed-end funds pay a fee to an affiliate of SPIAS for the creation of and right to use S&P's distribution platform to disseminate the reports to SPIAS' or an affiliate's clients. Certain issuers also pay a fee to SPIAS to prepare research reports on companies and for distribution services through MarketScope Advisor, an affiliated distribution platform.

SPIAS reserves the right to waive or reduce fees at its discretion.

Minimum fees may apply to certain types of services and client accounts.

C. Fees and Expenses

Based on contract terms, the client may reimburse SPIAS for expenses incurred to attend client meetings. SPIAS may charge clients additional fees and expenses, such as a onetime set up fee.

D. Refunds

Clients may have the right to terminate their agreements with SPIAS in accordance with notice provisions included in client agreements and under the specific circumstances outlined in the agreements. Upon termination of an agreement, SPIAS will refund any unearned fees on a pro rata basis after termination of the advisory contract. Certain administrative and operational costs incurred by SPIAS in connection with providing advisory services and/or tools to the client may not be refundable in all circumstances.

Sub-advisory agreements may be terminated at any time, without payment of any penalty, upon written notice by the client or SPIAS and as noted in the sub-advisory agreement. The sub-advisory agreement will immediately terminate in the event of an assignment by either party.

E. Sales Compensation

Neither SPIAS nor any of its supervised persons receive sales or brokerage commissions in connection with sales of its advisory services.

ITEM 6. PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

In some cases, SPIAS has entered into performance-based fee arrangements with qualified clients pursuant to Rule 205-3 under the Investment Advisers Act of 1940, as amended (the “Advisers Act”) and in accordance with available exemptions thereunder, including the exemption set forth in Rule 205-3. Generally SPIAS receives an allocation from each qualified client (typically a fund manager) equal to a percentage of the positive difference between the net asset value in a fund and the “high-water mark” attributable to such investment (the “Performance Fee”). The Performance Fee is applied from the first day that SPIAS starts providing its services to the qualified client and it is calculated annually on a calendar year basis. The specific terms governing the structure and calculation of the Performance Fee and high-water mark, which may vary between clients, are described in detail in the applicable client’s Master Investment Advisory Agreement.

Some clients may pay both a Management Fee, as described in Appendix A, and a Performance Fee, as described above.

Performance fee arrangements may create an incentive for SPIAS and its qualified clients to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement.

ITEM 7. TYPES OF CLIENTS

SPIAS' clients are primarily institutional investors such as U.S. registered investment companies and unregistered hedge funds, unit investment trusts, insurance companies, banks, variable annuities underlying funds, offshore funds, managed separate accounts, hedge funds, investment advisers, broker-dealers and other pooled investment vehicles. SPIAS also permits clients to provide SPIAS' models to other third parties through a web-based platform sponsored by the third party. SPIAS does not provide model portfolios directly to retail investors.

As explained above in Item 5 (Fees and Compensation), client fees may be subject to minimum billings. Certain model portfolios may require an investor account minimum.

ITEM 8. METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

A. SPIAS' Methods of Analysis and Investment Strategies

Investors should be aware that there are risks in investing in securities and investing in these securities involves risk of loss of an investor's principal investment and other losses that clients should be prepared to bear.

Asset allocation strategies

The SPIAS Portfolio Strategy Committee ("**Committee**") maintains a base-line asset allocation represented by indices. The Committee establishes guidelines for investment advisory portfolios. The guidelines are in the form of a baseline asset allocation that identifies the asset classes or sectors to employ, over/under weight for the asset classes and sectors, along with growth/value splits and capitalization ranges.

The Committee reviews market fundamentals and macroeconomic factors contributing to the prospects for global economies and financial markets. The objectives of the review are to (i) evaluate the ongoing tactical and strategic positions of recommended asset allocation strategies and (ii) ascertain optimal asset class combinations based on the Committee's expectations of evolving global business and investment trends.

SPIAS' equity allocation is designed to have core allocations to both international and domestic equities and is based on global equity market capitalization. The fixed income allocation is based on credit quality, duration and wherever possible by geographic region or country-specific markets.

Multi-manager strategies and fund selection

Multi-manager strategies are comprised of two core strategies: capital appreciation and current income. In constructing multi-manager strategies, SPIAS strives to diversify investment managers across sponsor organizations, investment approaches and underlying model portfolio sector and investment characteristics.

SPIAS' investment manager evaluation methodology is a multi-pronged approach, combining performance and quantitative analysis with qualitative analysis of managers. SPIAS' approach to performance evaluation is centered on identifying and monitoring for consistency. SPIAS' Fund Review Committee screens and monitors managers based on discrete calendar year results in the context of market conditions and the manager's investment approach. Measuring risk-adjusted performance is as important as measuring absolute returns.

SPIAS' Fund Review Committee conducts a qualitative review of investment managers with portfolio management to assess the strength of the investment managers, their investment process and philosophy and their consistency of approach. Once an investment manager is added

to the coverage list, ongoing reviews are conducted. A review of the investment manager is undertaken to identify the strategy's performance drivers. Topics covered include:

- Management Group: Stability and Investment Culture.
- Investment Team: Experience, Effectiveness, Stability.
- Portfolio Manager: Philosophy, Consistency, Clarity, Focus.
- Portfolio: Unique characteristics, role in multi-manager strategy.

SPIAS' ETF selection process evaluates ETFs for structure, liquidity, and cost factors. Structure reflects evaluating the index the ETF aims to track, representation for the desired asset class, and the design of the ETF. Liquidity is evaluated quantitatively for daily trading volume, bid/ask spread, tracking errors and assets under management. Qualitatively, SPIAS reviews the process by which the ETF provider seeks to replicate an index (i.e., sampling versus full replication) and the creation/redemption process. Cost evaluations incorporate explicit expense ratios, premium/discount trends, and tracking error. SPIAS' selection process weighs the factors subjectively for each asset class. The evaluation of fixed income ETFs does incorporate greater emphasis on the creation/redemption process and liquidity as full index replication is typically not achievable.

Equity strategies

At the core of a quantitative equity strategy is an alpha model. This refers to the alpha-generating process that forecasts stock returns and drives portfolio selection. The term alpha refers to the returns above a benchmark. The goal of an alpha-model is to provide portfolio returns above a selected benchmark.

Stocks from a selected universe are measured and ranked based on their exposure to "alpha-factors" or attributes related to company fundamentals and market characteristics. The choice of factors is guided by fundamental analysis and understanding of the relationships between fundamentals and market prices. Such fundamental insights are then quantified through empirical research and captured in a systematic fashion into an alpha-model.

Back testing is the core process of evaluating a strategy by applying it to historical data. In a back test the predictive power of one or more factors is evaluated to understand the relationship between one or more factors and the subsequent returns of a universe through time. In addition, the back test is evaluated for the correlation between alpha factors and future returns.

Back testing gives no considerations to turnover, portfolio diversification and transaction costs. Therefore, before launching a new strategy, more realistic historical simulations need to be run. Such simulations may include minimum liquidity, transaction costs, sector or industry constraints and portfolio turnover targets.

SPIAS' equity strategies are usually rule-based, quantitatively driven models that are subject to a qualitative overlay. Equity strategy objectives may be based on themes such as infrastructure and

dividends. Equity strategies utilize S&P Capital IQ's or an affiliate's proprietary research such as S&P Capital IQ's STARS research, Standard & Poor's Ratings Services credit ratings and S&P Capital IQ's Fair Value and Quality Rankings. A brief explanation of each follows:

- (i) STARS – SPIAS' equity strategies may use STARS research, which is based on qualitative research prepared by SPIAS' equity analysts.
- (ii) Credit Ratings – SPIAS methodologies use Standard & Poor's Ratings Services long term credit ratings which is a current opinion of an obligor's overall financial capacity (its creditworthiness) to pay its financial obligations. This opinion focuses on the obligor's capacity and willingness to meet its financial commitments as they become due.
- (iii) Quality Rankings - Quality Rankings reflects the long-term growth and stability of a company's earnings and dividends in a single symbol. Rankings range from A+ (highest) to D (lowest).
- (iv) Fair Value Rankings – Fair Value is a relative ranking model that divides a universe of stocks into five groups. Group 5 is composed of stocks that are believed to be significantly undervalued relative to the Fair Value universe. Group 1 stocks are composed of stocks that are believed to be significantly overvalued relative to the Fair Value universe.

S&P Competitive Advantage Large Cap Core Equity Strategy

The S&P Competitive Advantage Large Cap Core Equity Strategy (the "Strategy") seeks firms in the S&P 500 with a view towards long term capital appreciation. The strategy selects approximately equal amounts in the common stock of 30 companies included in the S&P 500 that in SPIAS' opinion have superior return on invested capital (ROIC), trading at relatively attractive valuations.

The Strategy may be considered as a core holding. It selects predominantly large cap, what is believed to be a higher-quality model portfolio typically made of some of the most profitable U.S. firms. The Strategy seeks to exploit what SPIAS believes are investors' "fixation" with earnings growth and short-term results and their underestimation of the earnings power and resilience of high ROIC companies.

S&P Dividend Income and Growth Large Cap Equity Strategy

The S&P Dividend Income and Growth Large Cap Core Equity Strategy (the "Strategy") seeks firms in the S&P 500 with a view towards long-term capital appreciation along with a secondary focus on current income. The strategy selects approximately equal amounts in common stock in all sectors of what SPIAS considers to be 30 higher-quality companies that have attractive dividend yields

The Strategy may be an appealing strategy to dividend income and dividend growth seekers. The Strategy can potentially result in a model portfolio that combines both dividend growth and income while contemporaneously achieving sector diversification. The stocks selected are

characterized by higher S&P Quality Rankings, S&P Long Term Issuer Credit Ratings, and dividend yield.

S&P Intrinsic Value Large Cap Equity Strategy

Seeks to achieve capital appreciation by investing approximately equal amounts in the common stock of 30 companies included in the S&P 500 that are believed to generate strong free cash flows and sell at attractive relative valuations. The S&P Capital IQ Quality Ranks are used as additional criteria to only include companies with average or higher quality in seeking undervalued but higher earning companies.

The strategy seeks to exploit investors' overreaction to earnings-related events by selecting companies that trade at attractive free cash flows multiples.

S&P Total Yield Large Cap Equity Strategy

The strategy seeks to achieve capital appreciation by investing approximately equal amounts in the common stock of the 30 companies with the highest Total Yield (a broad measure of cash returned to equity and debt investors), based on selection criteria. The S&P Capital IQ Quality Ranks are used as criteria to include companies with average or higher quality.

The strategy combines quality and profitability factors with "Total Yield", a concept that seeks to exploit forward-looking implications of management's decisions of uses of cash.

S&P 4 Large Cap Core Equity Strategy

The S&P 4 seeks capital appreciation by blending four strategies: S&P Competitive Advantage, S&P Dividend Income and Growth, S&P Intrinsic Value and S&P Total Yield.

Equity Income 30 (Dividend Income Growth) Large Cap Equity Strategy

The strategy seeks to provide long-term capital appreciation with a secondary goal to provide a dividend yield of about 1.5X the S&P 500's by investing in the common stock of 30 large capitalization companies. Both quantitative and qualitative factors drive the selection of stocks. Some of the factors included in the decision process are the S&P Capital IQ Quality Ranks and S&P Capital IQ Long Term Issuer Credit Ratings.

Quality Ranks 20 Large Cap Equity Strategy

The strategy seeks to provide long-term capital appreciation by investing in the common stock of 20 large capitalization companies. Both quantitative and qualitative factors drive the selection of stocks. The S&P Capital IQ Quality Ranks are included in the decision process.

Fixed Income Strategies

Fixed income strategies consist of identifying potential investment opportunities; perform quantitative and/or qualitative security/obligor credit risk research through cross-asset analyses. These same strategies may also consist of determining global exposures such as sector

allocation, country, currency, duration and credit quality risks to gauge valuation and risk strategies for a portfolio. SPIAS uses among other tools and data, Risk-to-Price (R2P), an analytic of SPSE, an affiliated investment adviser, to assist it in the corporate bond security selection process. SPIAS' fixed income model portfolios' composition and portfolio strategies may be based on SPIAS' use of quantitative models and qualitative research, and the use of R2P and other analytic screening tools to measure a security's creditworthiness risk and probability of default.

Advisory consulting services to investment managers of investment funds other than registered open-end investment companies and unregistered hedge funds.

Strategies and analytical methods may use some or all of the same strategies and analytical methods described above in "Asset allocation strategies," "Multi-manager strategies and Fund selection" and "Equity Strategies."

Sub-advisory services for registered open-end investment companies and unregistered hedge funds

Strategies and analytical methods may use some or all of the same strategies and analytical methods described above in "Asset allocation strategies," "Multi-manager strategies and fund selection" and "Equity strategies."

SPIAS is the recipient of an arrangement entered into by McGraw Hill for the outsourcing SPIAS' IT functions to Atos Solutions & Services, Inc. (Atos), and certain finance functions to Genpact International, Inc. (Genpact), which commenced in the fourth quarter of 2012.

Atos assumed IT infrastructure and support activities in the fourth quarter of 2012, and has also assumed ownership of IT service delivery. It is expected that Atos will assume increasing functions relating to McGraw Hill's IT infrastructure, including servers, networks, and data centers. Genpact assumed certain finance activities during the fourth quarter of 2012, including certain client billing and collection functions. Neither Atos nor Genpact are affiliated with SPIAS or McGraw Hill.

B. Risks Associated with SPIAS' Services

Risks Associated with SPIAS' Methods of Analysis and Investment Strategies

Strategy Risk:

An undervalued stock may decrease in price or may not increase in price as anticipated in the Strategy if other investors fail to recognize the company's value or the factors that the Strategy considers as factors that will cause the stock price to increase do not occur.

Security selection risk:

The securities selected in the Strategy may decline in value. Securities selection is subject to the analyst judgment of the anticipated performance of industries, companies, economic trends, the relative attractiveness of different securities or other matters.

Focus risk:

To the extent that the Strategy focuses its investments in particular industries, asset classes or sectors of the economy, any market price movements, regulatory or technological changes, or economic conditions affecting companies in those industries, asset classes or sectors will have a significant impact on the performance of investments that are subject to that particular strategy.

Models that allocate to the following assets classes are subject to additional risks:

- (i) Emerging markets and international developing equity investing involves greater risks such as economic and political systems that are less developed, and likely to be less stable, than those of more advanced countries and markets that are characterized by lack of liquidity and price volatility.
- (ii) Small Cap and Mid Cap companies entail greater risk than investing in larger, more established ones.
- (iii) Large cap companies investment may underperform investment that are primarily focus on stocks of lower quality, smaller capitalization companies during periods when the stocks of such companies are in favor.
- (iv) Real estate investment trusts may be affected by changes in the value of the underlying property, the quality of credit extended, defaults by borrowers and heavy cash flow dependency.
- (v) High yield bonds are lower-rated fixed income securities that may involve greater risk than investments in higher-rated (“investment grade”) securities.
- (vi) Commodities are affected by underlying commodity prices which may exhibit high volatility.
- (vii) Mortgage-backed securities have heightened sensitivity to interest rate risk, are subject to prepayment risk and the resulting uncertainty of the timing of cash flow and are subject to the market’s perception of the creditworthiness of the issuer.
- (viii) Inflation-protected securities are subject to several general risks, including interest rate risk, credit risk, and market risk. Interest payments on inflation-protected securities will vary as the principal and/or interest is adjusted for inflation and may be more volatile than interest paid on ordinary fixed-income securities.
- (ix) The price of fixed-income securities will fluctuate with changes in interest rates and in response to changes in the financial condition of the issuer. The value of fixed-income

securities generally rises when interest rates fall, and fall when interest rates rise. Prices of longer-term securities generally increase or decrease more sharply than those of shorter-term securities in response to interest rate changes. An investor could lose money if the issuer or guarantor of a fixed income security, or the counterparty to a derivatives contract, repurchase agreement or a loan of portfolio securities, is unable or unwilling to make timely principal and/or interest payments, or to otherwise honor its obligations. Credit ratings may reflect the varying degrees of risk. Municipal bonds are subject to the risk that litigation, legislation or other political events, local business or economic conditions, or the bankruptcy of the issuer could have a significant effect on an issuer's ability to make payments of principal and/or interest.

- (x) Although funds may generally use derivative instruments such as futures contracts and swaps for hedging and risk management, funds in the alternative asset class may use them to a greater extent, which may result in magnified risks. These instruments are subject to certain risks such as unanticipated changes in securities prices and global currency markets and sudden changes in the liquidity of the market for the derivative instrument. The use of derivatives may also create leveraging risk which may cause greater volatility.
- (xi) Index investing risk – The indexing strategy does not attempt to manage volatility, use defensive strategies, or reduce the effects of any long-term periods of poor stock performance. Market fluctuations can cause the performance of an index to be significantly influenced by a handful of companies. Because different types of stocks tend to shift in and out of favor depending on market and economic conditions, performance may sometimes be lower than funds that actively invest in stocks that comprise the index. As a result of index sampling the securities selected will not provide investment performance matching that of the index.
- (xii) Managed portfolio risk – As an actively managed portfolio, the value of a fund's investments could decline because the financial condition of an issuer may change (due to such factors as management performance, reduced demand or overall market changes), financial markets may fluctuate or overall prices may decline, or the manager's investment techniques could fail to achieve the fund's investment objective.
- (xiii) Fixed income risks – Investing in fixed income securities and related derivatives involves risks such as interest rate risk, credit risk and the possibility that an issuer will default on the payment of interest and principal. An investor could lose money if the issuer or guarantor of a fixed income security or the counterparty to a derivatives contract, repurchase agreement or a loan of portfolio securities, is unable or unwilling to make timely principal and/or interest payments, or to otherwise honor its obligations. Credit ratings may reflect the varying degrees of risk.

Model portfolios may be subject to these additional risks:

- (i) Model portfolio returns are also affected by the ability of the underlying fund managers to achieve their investment objectives.

- (ii) Equity model portfolios and models that may include them tend to be more volatile, have higher betas and sector concentration or exclude entire sectors.
- (iii) Currency Risk – The value of a fund’s foreign investments will be affected by changes in currency exchange rates. The U.S. dollar value of a foreign security decreases when the value of the U.S. dollar rises against the foreign currency in which the security is denominated and increases when the value of the U.S. dollar falls against such currency.
- (iv) Event risk – There may be risk due to unforeseen events associated with a company.
- (v) Market risk – Securities may also decline in value due to factors affecting securities markets generally, such as real or perceived adverse economic conditions, or particular industries represented in the securities markets, such as competitive conditions. In addition, the markets may not favor a particular kind of security, such as dividend-paying securities, and may not favor equities or bonds at all.
- (vi) Stock market risk – Stock market risk refers to the fact that stock prices typically fluctuate more than the values of other types of securities, typically in response to changes in the particular company’s financial condition and factors affecting the market in general. Over time, the stock market tends to move in cycles, with periods when stock prices rise, and periods when stock prices decline. Consequently, a broad-based market drop may also cause a stock’s price to fall. Bond market risk generally refers to credit risk and interest rate risk.
- (vii) Fixed income model portfolios’ selection of fixed income securities are subject to shifts in interest rates and credit risks and the risk that an issuer may default on payments of interest and principal.

An investment based upon SPIAS’ equity and fixed income model portfolios should only be made after consulting with a financial advisor and with an understanding of the risks associated with any investment in securities, including, but not limited to, market risk, currency risk, interest rate risk, political and credit risks, the risk of economic recession and the risk that issuers of securities or general stock market conditions may worsen, over time. Foreign investing involves certain additional risks, including currency fluctuations and controls, restrictions on foreign investments, less governmental supervision and regulation, less liquidity and the potential for market volatility and political instability. As with any investment, investment returns and principal value will fluctuate, so that when redeemed, an investor’s shares in a fund or an investment strategy involving a portfolio comprised of funds, may be worth more or less than their original cost. An investor should also understand that past performance is no guarantee of future returns or results.

Outsourcing Arrangements

As the result of an arrangement entered into by McGraw Hill for the outsourcing of certain IT functions to Atos Solutions & Services, Inc. (“Atos”), and certain finance functions to Genpact International, Inc. (“Genpact”), which commenced in the fourth quarter of 2012, SPIAS is provided certain IT services by Atos and certain finance services by Genpact.

Atos assumed IT infrastructure and support activities in the fourth quarter of 2012, and has also assumed ownership of IT service delivery. It is expected that Atos will assume increasing functions relating to McGraw Hill's IT infrastructure, including servers, networks, and data centers. Genpact assumed certain finance activities during the fourth quarter of 2012, including certain client billing and collection functions. Neither Atos nor Genpact are affiliated with SPIAS or McGraw Hill.

C. SPIAS' Research Reports and Services

SPIAS also offers equity research reports on companies based upon its STARS ranking system, Fair Value system, Quality Ranking system, and other proprietary ranking systems used in the preparation of stock reports, fund research reports on open-end funds and ETFs, factual reports on closed-end funds, and bond reports.

SPIAS' STARS Equity Research Reports

SPIAS' STARS ranking methodology is a fundamental (qualitative) approach to equity analysis based on a "growth at a reasonable price" philosophy and expected dividends. Fundamental analysis assesses factors such as earnings and cash flow growth expectations, macroeconomic variables, the competitive environment, barriers to entry, an analysis of risk, and quality of management. S&P Capital IQ's proprietary STARS quantitative ranking model generates a recommended STARS ranking, which is reviewed and approved by SPIAS' equity analysts. SPIAS' equity analysts are provided a top-down or macroeconomic view to use in their analysis, including expectations for items such as interest rates, commodity prices, consumer spending, housing starts and other economic data from Standard & Poor's Economics Group. Equity analysts are also provided information on economic and sector cycle timing from the S&P Capital IQ's Investment Policy Committee and Chief Equity Strategist. STARS rankings are determined after assessing 12-month target prices for each security, which are based on intrinsic value analysis (discounted free cash flow), relative valuation (comparing financial ratios across peer groups) and/or sum of the parts (determining public/private market values for individual units of a company).

STARS rankings and reports containing STARS rankings are general buy, hold and sell recommendations. The rankings and information contained in these reports is not advice tailored to any investor's personal situation and users of these reports should be aware that they could suffer investment losses when investing in stocks based upon the STARS ranking or that are the subject of a research report.

Under certain circumstances, SPIAS' equity analysts may speak to SPIAS' clients and/or a recipient of a STARS research reports. In these circumstances, SPIAS will not have any responsibility for (i) undertaking a suitability review of any third party's financial situation; (ii) implementing any investment policies or strategies for a third party; or (iii) determining if any information provided to a third party is suitable for making an investment decision. Any use of information obtained from an S&P Capital IQ equity analyst by a third party is to be used at the third party's own risk. .

Quantitative and Factual Research Reports

SPIAS provides quantitative research reports on U.S. and global stocks, which output is based on SPIAS' proprietary quantitative models. The quantitative models focused on a shorter-term horizon and are designed to capture current information such as performance, market conditions and certain risk factors. The objectives and inputs to the models are static and should be viewed as reflective of current trends and market conditions at the time of each update and may take a shorter-term view of a company than the qualitative report on the same company. S&P Capital IQ receives compensation from the issuer or an agent thereof for initiating coverage, and for distribution including licensed redistribution of Factual Research Report, and/or for inclusion in other S&P Capital IQ publications.

Fund Research Reports

SPIAS provides quantitative research reports on funds (mutual funds and ETFs), which output is based on SPIAS' proprietary quantitative models. SPIAS also produces factual reports on closed-end funds.

SPIAS may recommend to advisory clients securities that are the subject of a STARS research reports and funds that are also the subject of SPIAS' research reports.

SPIAS also provides research reports on companies for which it is paid by the issuer (Closed-end Fund Reports) to prepare such research reports. Issuers may also request that SPIAS provide distribution assistance for the dissemination of such reports through an affiliated distribution platform, such as S&P Cap IQ's MarketScope Advisor platform.

Bond Research Reports

SPIAS provides quantitative research reports on issuers of bonds, which output is based on SPIAS' proprietary quantitative models. Bond Reports include an analysis of the individual security, insight into the risk profile of the bond's issuer, and a breakdown of the issue's peers. This detailed analysis outlines the relative quality of the bond and the issuer against its peer group.

Bond Reports are updated on a daily basis and include data points such as: market data, terms & conditions, evaluated prices, credit default swap spreads and market commentary.

Bond Reports are available to institutional clients via data feeds, in S&P Capital IQ's proprietary platform MarketScope Advisor and in BondWorks, a platform own by BondDesk Group LLC.

Trade Detector Research Reports

Trade Detector research reports, which are prepared in two separate versions are more fully described below are designed to assist institutional investment professionals in the evaluation of securities for their clients' investment strategies. Trade Detector Reports also include monthly stock selection lists that are based on two different quantitative methodologies. One

methodology is based on the Consensus Price Target model, while the other methodology is based on the Equity One Model that utilizes four separate quantitative strategies.

The Monthly Stock Selections Lists compiles stocks that meet the criterion established in Equity One Model and Consensus Price Target Model (together, the “Models”). Separate lists are created based on the Models.

The Models rebalance at the beginning of each month based on the prior month’s data. A new Monthly Stock Selection list is established for the Equity One Model, and compared to the prior month’s list; stocks that remain in and are added to the new list are considered Bullish. Consensus Price Target Model ranks stocks in quintiles. The rankings are compiled in a monthly stock selection list that is generated at the beginning of each month. At inception, the selection list comprised the top 100 stocks known as the first quintile. After rebalancing each month, new stocks are added to the selection list if they are within the first quintile. A stock is considered Bullish if remains on the selection list if it is in the first or second quintile.

The Models rebalance at the beginning of each month based on the prior month’s data. A new Monthly Stock Selection list is established for the Equity One Model, and compared to the prior month’s list, stocks that are no longer in the list are considered Exit. Consensus Price Target Model ranks stock in quintiles. Stocks on the prior month’s list dropping to the third, fourth or fifth quintile are excluded from the new list. Compared to the prior month’s list, stocks deleted are considered Exit.

Deal Detector Research Reports

Deal Detector research reports, are designed to assist institutional investment professionals in the identification and evaluation of companies, which could be potential candidates for a takeover. Deal Detector examines recent deal activity and, through the use of the S&P Capital IQ database, seeks to identify companies which may be poised to be acquired by reviewing comparable valuations, ownership data and other metric.

D. Risks Associated with Failures in SPIAS’ Internal Processes - Error Correction Procedures

The calculation and publication of performance information gives rise to the potential risk of performance errors. SPIAS has undertaken to mitigate these operational risks through the adoption of SPIAS’ Performance Policies and Procedures Manual (the “Manual”). SPIAS’ Manual contains, among other things, error correction procedures and processes that provide guidance on the steps to be taken to correct performance calculation errors relating to SPIAS’ model portfolios and related benchmarks, and provide clients with restated performance information in a timely manner.

SPIAS’ error correction procedures encompass not only errors relating to calculating a model portfolio’s return, but also dispersion errors (standard deviation) and, omitted disclosures. SPIAS’ Manual also provides guidance on when an error should be classified as “material”, and also includes an escalation process to be followed upon the discovery of an error. Calculation

errors that are classified as “material” will require SPIAS to notify all affected clients of the error, first, by telephone, and subsequently in writing, and provide clients with restated performance information and reports in a timely manner. When an error is not deemed to be material, SPIAS is required to retain all prior performance calculations and also update SPIAS’ (i) performance error log; (ii) internal performance databases; (iii) external performance databases; and (iv) current electronic marketing presentations, websites, and other marketing and promotional materials.

SPIAS’ performance measurement analysts are responsible for the oversight of SPIAS’ performance calculation and reporting processes. SPIAS’ error correction procedures also requires any employee who discovers a calculation error to immediately notify the performance measurement analyst of the error, including the details relating to how the error was discovered and the implementation of corrective action to prevent a recurrence of future errors.

As part of SPIAS’ record retention policy, SPIAS maintains records of model performance reports and client presentations that contain model performance. SPIAS also maintains a record of all known performance calculation errors and the related corrective action to prevent a recurrence of the error.

ITEM 9. DISCIPLINARY INFORMATION

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of SPIAS' advisory business or the integrity of SPIAS' management. There is currently no information applicable to SPIAS or any management person of SPIAS with respect to this Item.

ITEM 10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

SPIAS is a wholly-owned subsidiary of McGraw Hill, a corporation whose shares are traded over the New York Stock Exchange under the symbol “MHFI”. McGraw Hill operates through various subsidiaries and affiliates involved in issuing credit ratings through a Nationally Recognized Statistical Rating Organization (NRSRO), global provider of indices, research and digital analytical tools and investment advisory services for institutional investors and private-wealth management firms, and a provider of specialized information for the commodities and related commercial markets. As a result, SPIAS’ clients may have a relationship with SPIAS’ affiliates beyond having a relationship with SPIAS, and some of these other relationships may cause potential conflicts of interest. To mitigate any conflicts of interest, SPIAS and certain affiliates have adopted policies and procedures intended to identify and mitigate conflicts of interest related to their respective businesses.

A. Registration as a Broker-Dealer or Registered Representative

Neither SPIAS nor its management persons are registered as broker dealers or have an application pending to register, as broker-dealers or registered representatives of a broker-dealer.

B. Registration as a Futures Commission Merchant, Commodity Pool Operator, Commodity Trading Adviser or Associated Person

Neither SPIAS nor its management persons are registered or have an application pending to register, as futures commission merchants, commodity pool operators, commodity trading advisors, or associated persons of the foregoing entities.

C. Material Relationships

1. With broker-dealer, municipal securities dealer, or government securities dealer or broker.

Not applicable.

2. With investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund).

Not applicable.

3. With other investment adviser, financial planner or other firm.

SPIAS is an affiliate of SPSE, a registered investment adviser. SPIAS has a relationship with SPSE as it uses SPSE’s Risk-to-Price (R2P) fixed income security screening tool and related commentary as a part of SPIAS’ security selection process for SPIAS’ fixed income model portfolios. At the present time, SPIAS does not pay SPSE for using R2P screening

tool and/or its related commentary in its advisory business and does not consider its relationship with SPSE to be material to its overall advisory business.

SPIAS is also affiliated with the following non-US investment advisers: Standard & Poor's Information Services (Australia) Pty Ltd. ("SPIS"), which is registered with the Australia Securities and Investment Commission; Standard & Poor's Investment Advisory Services (HK) Limited ("SPIAS HK"), which is registered with the Hong Kong Securities Futures Commission; McGraw Hill Financial Japan KK ("MHF Japan"), which is registered with the Kanto Local Finance Bureau; Standard & Poor's Malaysia Sdn Bhd ("S&P Malaysia"), which is registered with the Securities Commission of Malaysia; McGraw-Hill Financial Research Europe Ltd. ("MHFRE"), which is authorized by the United Kingdom Financial Conduct Authority; and McGraw Hill Financial Singapore PTE. Limited ("MHF Singapore"), which is registered with the Monetary Authority of Singapore. SPIAS may distribute its stock research reports (STARS, Quantitative and Factual reports), fund research reports, Bond research reports, Trade Detector research reports, Deal Detector research report and other research reports through these affiliates.

Certain persons associated with MHFRE and S&P Malaysia may provide advice through SPIAS to certain U.S. clients of SPIAS. When these individuals provide advisory services, they will be deemed to be an "associated person" of SPIAS as that term is defined under Section 202 (17) of the Investment Advisers Act (Advisers Act), will be subject to supervision by SPIAS and to SPIAS' policies and procedures, including SPIAS' Code of Ethics, which is more fully described at Item 11 "Code of Ethics, Participation or Interest in Client Transactions and Personal Trading." These individuals, through MHFRE and S&P Malaysia and/or another affiliate, will maintain all records relating to such advice provided to SPIAS' clients in accordance with Rule 204-2 under the Advisers Act. SPSE and SPIAS also share certain associated persons for their respective advisory businesses. SPIAS does not believe that the sharing of certain associated persons with SPSE, S&P Malaysia or MHFRE creates a conflict of interest with its or its affiliates' advisory businesses.

4. With futures commission merchant, commodity pool operator, or commodity trading adviser.

Not applicable.

5. With banking or thrift institution.

Not applicable.

6. With accountant or accounting firm.

Not applicable.

7. With lawyer or law firm.

Not applicable.

8. With insurance company or agency.

Not applicable.

9. With pension consultant.

Not applicable.

10. With real estate broker or dealer.

Not applicable.

11. With sponsor or syndicator of limited partnerships.

Not applicable

12. Nationally Recognized Statistical Rating Organization (NRSRO)

SPIAS is affiliated with Standard & Poor's Ratings Services, a Nationally Recognized Statistical Rating Organization ("NRSRO"). SPIAS does not have a material relationship with Standard & Poor's Ratings Services. SPIAS uses Standard & Poor's credit ratings as factors in some of its investment strategies which it obtains through Standard & Poor's Financial Services LLC, an affiliated information service provider.

SPIAS may consider research, data and other information from its affiliates, including Capital IQ's platform, in making its investment recommendations. SPIAS does not believe its use of and its relationship with Capital IQ creates a conflict of interest. The investment policies of certain portfolios specifically state that among the information SPIAS will consider in evaluating a security are the credit ratings assigned by its affiliate, Standard & Poor's Ratings Services, in certain strategies, SPIAS does not generally consider the ratings assigned by other credit rating agencies. Credit rating criteria and scales may differ among credit rating agencies. Ratings assigned by other credit rating agencies may reflect more or less favorable opinions of creditworthiness than credit ratings assigned by Standard & Poor's Ratings Services.

D. Recommendation of Other Investment Advisers

SPIAS' advisory services may be distributed in certain countries by affiliates as follows: in Australia, by SPIS, in Hong Kong, by SPIAS HK, in Japan, by MHF Japan, in Malaysia, by S&P Malaysia, in the U.K., by MHFRE and in Singapore, by MHF Singapore. Two of SPIAS' directors also serve as directors of SPIAS HK and one director also serves as a director of MHFRE .

SPIAS may recommend other investment advisers, other than affiliates, who can implement an investment strategy to meet a client's investment goals and objectives. SPIAS does not receive compensation, directly or indirectly, from such advisers.

E. Registration with Foreign Financial Regulatory Authorities

In addition to being registered with the U.S. Securities and Exchange Commission as an investment adviser, SPIAS is also registered with the Financial Services Commission in the Republic of Korea as a cross-border investment adviser.

ITEM 11. CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

A. Code of Ethics

In order to address conflicts of interest, SPIAS has adopted a code of ethics (the “**Code**”) pursuant to Rule 204A-1 under the Advisers Act, which is applicable to all of SPIAS’ employees and associated persons, and certain individuals who may be associated with one of SPIAS’ non-U.S. advisory affiliates. SPIAS’ Code generally sets the standard of ethical and professional business conduct that SPIAS requires employees to comply with applicable federal securities laws and regulations, and sets forth provisions regarding personal securities transactions by employees. Additionally, the Code sets forth SPIAS’ policies and procedures with respect to material non-public information and other confidential information, and the fiduciary obligations that SPIAS and each of its employees owes to each advisory client. The Code is circulated at least annually to all employees, and each employee must certify in writing on an annual basis that he or she has received and followed the Code and any amendments thereto. SPIAS will provide a copy of the Code to any client or prospective client upon request. Clients and prospective clients may request a copy of the Code by e-mailing: spias@standardandpoors.com.

B. Participation or Interest in Client Transactions

SPIAS may include in a model portfolio or substitution list, otherwise present as an investment option and/or recommend for investment certain funds to which S&P Dow Jones Indices through an affiliate licenses certain intellectual property or otherwise has a financial interest, including exchange-traded funds whose investment objective is to substantially replicate the returns of a proprietary S&P Dow Jones Indices’ index such as the S&P 500. SPIAS includes these funds in models, otherwise presents them as an investment option and/or recommends them for investment based on asset allocation, sector representation, liquidity and other factors; however, SPIAS has a potential conflict of interest with respect to the inclusion of these funds. In cases where compensation is received that is tied to the amount of assets that are invested in the fund, investment in the fund will generally result in an affiliate of SPIAS earning compensation in addition to the fees received by SPIAS in connection with its provision of services. In certain cases there may be alternative funds that are available for investment that will provide investors substantially similar exposure to the asset class or sector.

S&P FS or an affiliate may license certain intellectual property or provide pricing or other services to, or otherwise have a financial interest in, certain issuers of securities, including derivative instruments based on an index issued by S&P Dow Jones Indices, an affiliated business of SPIAS. S&P Capital IQ and S&P Dow Jones Indices through S&P FS or another affiliate provide a wide range of services to, or relating to, many organizations, including issuers of securities, investment advisers, broker-dealers, investment banks, other financial institutions and financial intermediaries, and accordingly may receive fees or other economic benefits from those organizations, including organizations whose securities or services they may recommend, rate, include in model portfolios, evaluate or otherwise address.

SPIAS may consider research and other information from affiliates in making its investment recommendations. In order to address this potential conflict of interest, the investment policies of certain portfolios specifically state that among the information SPIAS will consider in evaluating a security are the ratings assigned by its affiliate, Standard & Poor's Ratings Services. SPIAS does not consider the ratings of other credit rating agencies, which may represent more or less favorable opinions of creditworthiness than those issued by Standard & Poor's Ratings Services.

In addition, SPIAS may provide advice regarding or recommending securities in which it or an affiliate directly or indirectly has a financial interest. SPIAS' employees also may buy and sell securities for their own or other accounts that also are recommended to clients. SPIAS may recommend securities to clients in whom one or more of its employees, officers, partners, or associated persons have an ownership or other financial interest. SPIAS may give advice to some clients which differs from the advice it gives to other clients.

C. Personal Trading

SPIAS has also adopted a Securities Disclosure Policy ("SDP"), which requires SPIAS' employees and certain individuals who may be associated with one of SPIAS' non-U.S. advisory affiliates to pre-clear the majority of their personal securities transactions, report these transactions on a periodic basis and maintain their personal security accounts (as well as those of "immediate family" members) at certain designated brokerage firms from which it will receive real time feeds of employee (and immediate family member) trades for comparison against trades that were pre-cleared by the employee and immediate family members. The SDP's black-out periods, pre-clearance procedures and periodic reporting of transactions is designed to monitor transactions in employees' personal accounts and prevent conflicts of interest that may arise between employees' personal securities transactions and SPIAS' investment advisory services.

An individual's Securities Classification Profile level will determine if an employee (including immediate family members) is prohibited from trading in certain securities and will also determine which Restricted List an employee must follow before submitting a trade-pre-clearance request. S&P Capital IQ's equity analysts are prohibited from holding or transacting securities in the sub-industry groups they cover. All employees are required to pre-clear the majority of trades; pre-clearance is only valid from the receipt of approval until the end of that same trading day in the principal market for that security.

SPIAS believes that the adoption of the Code of Ethics and SDP should provide for strong internal controls and mitigate any risks that an employee (and immediate family members) will trade in a security in contravention of SPIAS' aforementioned policies or when certain employees are in possession of confidential and/or price sensitive information as a result of their involvement in providing investment advisory services.

D. Concurrent Trading Activity

Under SPIAS' Code and employee trading policy, employees are generally subject to restricted lists and black-out periods surrounding activity occurring in SPIAS' business unit and therefore,

certain employees and their immediate family members will be prohibited from trading in securities that are subject to this same business unit activity.

ITEM 12. BROKERAGE PRACTICES

As a non-discretionary investment adviser, SPIAS does not place trades in the market. Accordingly, it does not direct its clients' brokerage commissions.

Soft Dollars and Other Commission Sharing Arrangements

SPIAS provides research services to institutional clients that may enter into soft-dollar or other commission sharing arrangements with broker-dealers and such arrangements may benefit SPIAS and/or its affiliates. For any client that has entered into an agreement with SPIAS for research services, SPIAS or one of its affiliates may recommend a broker-dealer to the client to use as a means to compensate SPIAS through a soft dollar or other commission sharing arrangement.

The use by SPIAS' clients of soft dollar or other commission sharing arrangements (the "arrangements") allows the decoupling of execution and research costs. SPIAS' clients and the broker-dealers they select are responsible for conducting such arrangements in accordance with applicable laws, rules and regulations. Under such arrangements, SPIAS' clients may instruct the broker-dealer to pay SPIAS or an affiliate a specified dollar amount either from a pool of commissions or otherwise pay for SPIAS' services provided to the client which the client and broker-dealer believe to be eligible for the safe harbor under Section 28(e).

Section 28(e) of the Securities Exchange Act of 1934 provides a "safe harbor" that permits discretionary investment advisers to enter into soft dollar arrangements if the investment adviser determines in good faith that the amount of the commission is reasonable in relation to the value of the brokerage and research services provided. Soft dollar and commission sharing arrangements may be subject to different legal requirements in different jurisdictions.

ITEM 13. REVIEW OF ACCOUNTS

A. Periodic Account Review

SPIAS undertakes reviews of client accounts on a daily, weekly, bi-weekly, monthly or other frequency, depending on the client's investment strategy and as set forth in a client's agreement with SPIAS for the provision of advisory services. Two primary levels of review are used to evaluate and monitor SPIAS' provision of investment advisory services to clients: the head of investment strategy and individual person assigned to the client's account. These individuals evaluate and monitor the investment service provided to each client. The Chief Investment Officer periodically reviews the analysis and decisions of the assigned investment professionals for compliance with clients' investment guidelines and restrictions.

SPIAS also monitors and reviews the performance of the model portfolios on a regular basis (e.g., daily, weekly, monthly or other frequency) and, as necessary, reallocates and/or recommends changes to the recommended asset allocation, securities, and/or substitute securities used in the model portfolios.

B. Review on other than a Periodic Basis

Not applicable.

C. Regular Reports

As set forth in client agreements, clients may receive commentary, generally on a quarterly basis, on model portfolio performance and strategy information regarding the advisory services provided and may include other information such as general market outlook. Representatives of SPIAS may also provide updates to clients via telephone, electronically or by in-person meetings with a client.

ITEM 14. CLIENT REFERRALS AND OTHER COMPENSATION

A. Compensation by Non-Clients

Not applicable to SPIAS' business.

B. Compensation for Client Referrals

In addition to compensating its own employees who are salespersons, for sales of SPIAS' advisory services to clients referred to SPIAS, SPIAS may also pay a portion of the fees that it receives from clients to related and unrelated parties for client referrals. Generally, such payments will be calculated based on a percentage of the fees paid to SPIAS by the client. SPIAS will enter into written agreements with non-affiliated persons and compensate them for referring clients to SPIAS in accordance with Rule 206(4)-3 of the Advisers Act, which includes requiring the solicitor to provide the client with a copy of SPIAS' Brochure (Part 2A & Part 2B) of Form ADV) and a copy of the solicitor's own disclosure statement and the receipt of a signed and dated acknowledgement that he/she has received a copy of SPIAS' Brochure and the third party solicitor's own disclosure statement prior to or at the time of entering into an agreement with the client. If clients will be charged a higher advisory fee than they would be charged if there was no solicitor, this fact will be disclosed. In every instance, arrangements with third parties will be fully disclosed as required by applicable law. SPIAS has entered into an agreement with Standard & Poor's Financial Services LLC ("S&PFS"), an affiliate, and will compensate S&PFS' sales persons who sell SPIAS' products and services.

ITEM 15. CUSTODY

Not applicable-SPIAS does not take custody of any client assets/funds.

ITEM 16. INVESTMENT DISCRETION

SPIAS provides investment advisory services to clients on a non-discretionary basis and does not provide discretionary portfolio management services. This section is not applicable to SPIAS' business.

ITEM 17. VOTING CLIENT SECURITIES

SPIAS does not provide discretionary portfolio management and/or advisory services and does not have proxy voting authority. This section is not applicable to SPIAS' business.

ITEM 18. FINANCIAL INFORMATION

A. Prepayment of Fees

SPIAS does not require prepayment of fees of more than \$1,200, six months or more in advance. This section is not applicable to SPIAS, and it is not required to provide an audited balance sheet to clients.

B. Impairment of Contractual Commitments

Not applicable to SPIAS' business.

C. Bankruptcy Petitions

SPIAS has not been subject to bankruptcy proceedings within the last 10 years.

APPENDIX A

Description of SPIAS' Individual Fees

1. *Asset allocation strategies (Standalone)**

Assets invested in asset allocation strategies	Asset based fee
Asset allocation strategies	0.05%

SPIAS may charge a minimum annual fee for asset allocation strategies of \$125,000.

2. *Fund selection services (Standalone)**

Assets invested based upon fund selection services	Asset based fee
Fund selection services	0.05% - 0.10%

SPIAS may charge a minimum annual fee for fund selection services of \$125,000.

Depending on factors described above, SPIAS may charge a flat fee instead of an asset based fee ranging from \$125,000 to \$500,000.

3. *Multi-manager strategies**

Assets invested in multi-manager strategies	Asset based fee
Model portfolios comprised of mutual funds and/or exchange traded funds.....	0.15%
Model portfolios comprised of mutual funds and/or exchange traded funds and stocks.....	0.25%

Certain clients of SPIAS may be paying different fees for the above services as they may be subject to different fees that were in place at the time of inception of their accounts with SPIAS. Model portfolios consisting of mutual funds and/or exchange traded funds may be subject to an investor account minimum of \$50,000.

4. *Equity strategies**

Assets invested in equity strategies	Asset based fee
Model portfolios comprised of stocks.....	0.25%

* SPIAS reserves the right, at its sole discretion, to change, modify or establish a new minimum fee for certain strategies. SPIAS also reserves the right, at its sole discretion, to establish a higher asset based fee based on the complexity of the investment strategy.

Certain clients of SPIAS may be paying different fees for the above services as they may be subject to different fees that were in place at the time of inception of their accounts with SPIAS. Equity strategy model portfolios may require an investor account minimum of \$100,000.

5. *Advisory consulting services to investment managers of investment funds other than registered open-end investment companies and unregistered hedge funds.*

a) Management fee:

Assets invested in...	Asset based fee
Unit investment trusts	0.15% - 0.20%
Investment funds, other than registered open-end management investment companies	0.25% - 0.35%

SPIAS may charge a minimum fee for unit investment trusts of \$20,000. SPIAS may charge a minimum fee for investment funds, other than registered open-end management investment companies, of \$150,000. Certain clients of SPIAS may be paying different fees for the above services as they may be subject to different fees that were in place at the time of inception of their accounts with SPIAS.

b) Performance based fee:

SPIAS may receive an allocation from each qualified client (typically a fund manager) equal to a percentage of the positive difference between the net asset value in a fund and the “high-water mark” attributable to such investment (the “Performance Fee”). The Performance Fee is applied from the first day that SPIAS starts providing its services to the qualified client and it is calculated annually on a calendar year basis. The specific terms governing the structure and calculation of the Performance Fee and high-water mark, which may vary between clients, are described in detail in the applicable client’s Master Investment Advisory Agreement.

Some clients may pay both a Management Fee and a Performance Fee.

6. *Sub-advisory services for registered open-end investment companies and unregistered hedge funds*

Sub-advised investment strategies in VA investment program

Assets invested in equity strategies	Asset based fee
Amounts up to and including \$1 billion	0.08% - 0.13%
Amounts over \$1 billion up to and including \$3 billion	0.07% - 0.12%
Amounts over \$3 billion	0.05% - 0.11%

Assets invested in equity strategies	Asset based fee
Assets invested in multi-manager strategies	Asset based fee
Amounts up to and including \$8 billion	0.02% - 0.10%
Amounts over \$8 billion	0.01% - 0.09%
Assets invested in midcap strategies	Asset based fee
Amounts up to and including \$1 billion	0.08%
Amounts over \$1 billion	0.07%

Certain clients of SPIAS may be paying different fees for the above services as they may be subject to different fees that were in place at the time of inception of their accounts with SPIAS. Depending on factors described above, SPIAS may charge a minimum fee for sub-advisory services to registered open-end investment companies of between \$125,000 and \$500,000.

7. *Model questionnaires (Standalone)*

Flat fee between \$25,000 and \$50,000 annually as a standalone service.

Certain current clients of SPIAS may be paying different fees.

8. *Fixed income strategies*

While it is not charging fees at the present time, SPIAS will, in the future, charge a fee for providing its fixed income strategies. Fees will be negotiable, and will be based on several factors such as: assets under management, account size, asset class and the geographic location of the assets and client.

9. *Equity Research Services*

(a) *Licensing of STARS Rankings for Use by Clients in their Investment Vehicles*

Assets invested based upon STARS rankings	Asset based fee
Investment vehicles based on STARS rankings	0.15%

SPIAS may also grant an exclusive license for a stipulated amount of time to use the STARS rankings based on the client's investment vehicle. The stipulated time period may be based on the achievement of milestone targets for assets under management.

(b) *Qualitative Research Services and Reports (STARS)*

STARS research reports are offered on a subscription basis, generally starting at \$800-\$3,500 per user per year. Volume discounts apply for firms with a large number of users.

Fees for SPIAS' other research services are as follows:

Seminars, industry meetings with S&P Capital IQ's analysts in attendance..... \$1,700/hour

Access to S&P Capital IQ's equity analysts..... \$500 per hour (this fee may be bundled with other services and clients may be charged only after the overall fee exceeds a certain threshold as listed in the client agreement).

(c) Research Reports (Issuer Paid Research)

Standard & Poor's Stock Report Initiation & Coverage (Fee includes a one-time start-up fee of \$2,095)	\$7,030
Standard & Poor's Stock Report Redistribution License	\$2,620
AAII Distribution	\$4,148
NAIC Distribution	\$4,148
AAII and NAIC Distribution	\$6,805
Standard & Poor's Stock Guide	\$3,040

Custom Solutions and Discount Packages:

Platinum Package (39% Discount). Includes Stock Report Coverage, both the AAI and the NAIC Stock Report Distribution Programs, the Stock Report Redistribution License, and broadcast of newly-initiated Stock Report in a BusinessWire Smart Release	\$10,900
Buy Side/Sell Side Package (17% Discount). Includes Stock Report Coverage and Stock Report Redistribution License, and broadcast of newly-initiated Stock Report in a BusinessWire Smart Release. The annual fee for each renewal year is \$7,450	\$9,250
Exclusive Retail Targeting & Proactive Investor Outreach Program (36% Discount). For companies with existing Stock Report Coverage. Includes both AAI & NAIC Distribution with Stock Report Redistribution License	\$6,038

(d) Fund Research Reports (Closed-end funds, mutual funds and ETFs)

U.S. open-end mutual funds and ETF reports are offered on an annual subscription basis, generally starting at \$400 per user per year. Volume discounts apply for firms with a large number of users.

Certain sponsors of closed-end fund reports pay SPIAS to prepare reports on closed end funds. Fees range from \$2,000 to 4,850/ per year to prepare these reports.

SPIAS may also charge a fixed subscription fee, which may include other services or a bundling of the above services.

SPIAS' fees relating to the provision of research reports and research services are negotiable. Certain current clients of SPIAS may be paying different fees.

(e) Trade Detector and Deal Detector Research Reports

SPIAS is not charging a fee for the distribution of the reports.